

Bourse in Panic; Mark Drops to 300 to Dollar

Berlin Bankers Fear Fall of German State, and Predict Rate Will Decline Until It Has Reached 1,000

Prices Rise in Proportion

Wirth Cabinet May Be Forced Out and Conservative Government Formed

By Joseph Shaplen

Special Cable to The Tribune

Berlin, Nov. 8.—Another wild panic—the wildest since the mark started its lightning-like flash downward—broke on the Bourse to-day, the mark falling to about 300 to the dollar, as against the pre-war rate of about four to the dollar.

Cries of calamity and hopeless bankruptcy resounded throughout Berlin, the predictions made in many financial circles were that the mark would continue on the toboggan until it reached 1,000 to the dollar, and this would take Germany along with it to ruin.

Many large mercantile establishments threatened to refuse to continue selling to foreigners because of the ridiculously cheap cost of all commodities to foreign buyers, due to the exchange rates. Most stores and mercantile places, however, were already out of old goods as a result of the rush of the few days, and their newly replenished shelves bear prices 50 to 100 per cent above those of two weeks ago. Prices promise to go up in proportion as the mark declines.

As a result of the situation brought about by the decline of the mark, the government is facing a new crisis and the Wirth cabinet may fall. If this comes about, a conservative government may be formed with the adoption of a policy of passive resistance to the Allies' financial program.

The mark's catastrophic fall in the last few days has necessitated the covering large payments by German industry on raw materials, as well as large bills falling due on heavy grain imports. The situation is so desperate that the government is rushing to invest the recent gains on the Bourse in dollars rather than in their own industries, most stocks having reached prohibitive heights.

Reports of the failure of Germany's efforts to obtain new loans from abroad likewise contributed to to-day's demoralization. Little hope was held out that Herr Bernhart, president of the Reichsbank, would succeed in his efforts in America to obtain financial relief for Germany.

"Lokales Anzeiger," commenting on the situation, says: "It is hardly necessary to point out the consequences of the latest calamity to the mark on German industry. With the dollar at 300, the gulden at 100, the franc at 22 it practically will no longer be possible for German industry to purchase raw materials abroad. We have entered the road of Austria and Poland."

The paper claims to know that Herr Bernhart in America was instructed to press the necessity for a loan of 100 million dollars to the Reichsbank, with all the powers at his command.

The continued devaluation of the mark means the re-establishment of the Reichsbank's position in Germany in a form more severe than during the war, declared Minister Gessler, Democratic member of the Cabinet. Germany, said Herr Gessler, was again being cut off from the raw materials, which threatened to paralyze her industry and production.

Can't Possibly Pay Debt

"The 132,000,000,000 gold marks which we must pay the Allies," said Minister Gessler, "will rise to-day to seven thousand billion paper marks, while the annual payments of 3,500,000,000 gold marks, amounting originally to 61,000,000,000 in paper marks, will amount to 67,000,000,000 paper marks. We cannot possibly pay the debt. The next few months will determine the life or death of the German people and the German Empire."

Similarly, Philipp Scheidemann, Socialist leader, speaking at Cassel, declared: "The fulfillment of the Versailles Treaty is utterly impossible. We must and we will do all we can, but the Allies must soon recognize that the demand for the fulfillment of our present obligations is pure insanity. The Allies themselves must realize the imperative necessity for a revision of the treaty."

According to reports to-day more than 100,000,000 paper marks held in foreign countries are speculation, pouring back into Germany. The effect this enormous addition to the paper money already in circulation in Germany will have is easily foreseen.

That the Reichsbank will be unable at present rate of exchange to purchase the necessary dollars to meet the next reparations payment in January appears certain.

Discussed in Reichstag

Germany's financial condition was brought up in a discussion in the Reichstag in which Minister of Economics Schmidt declared that the conditions forced on Germany by the Allies made it imperative for her to cut down her imports. France had flooded Germany with an enormous amount of unnecessary goods, he said. In the last four months, Schmidt said, France had dumped into Germany 999,000,000 marks' worth of champagne, cognac and other wines and liquors, 18,000,000 marks' worth of perfumes, oils and powder, 38,000,000 marks' worth of underwear and lace, and 6,000,000 marks in jewels and precious stones.

"The matter is very simple," said Schmidt. "Either we will drink French champagne and quit our payments to the Allies or we will continue meeting our obligations and refuse to drink French wines."

Schmidt pointed out the development of financial speculation to a vast extent in Germany in the last three months as a result of her unhealthy economic condition and announced that the government was determined to curb this speculation by special legislation controlling the exchange of the Borse. He said he hoped this would prove a partial palliative.

Carl Helfferich, former Vice-Chancellor, replied to Schmidt, stating that the government's deficit for this year reached a total of 182,000,000,000 marks. No matter what takes the Reichstag majority, said Helfferich, it would be impossible to cover this deficit. He demanded a cut of 50 per cent in the number of government employees.

Assailing bitterly the Wiesbaden agreement with figures, Helfferich attacked the government for failing to present it to the Reichstag for approval and assailed the whole policy of the present government in trying to meet the Allies' demands.

"Chancellor Wirth's policy is rapidly driving Germany into the abyss," said Helfferich. "I demand that the government call upon the Allies to examine Germany's books," he concluded, "and insist on a revision of the whole reparations question, as Germany has a right to do according to Article XXXIV of the Peace Treaty."

French Arms Envoys Bring Chest of Secret German Papers

WASHINGTON, Nov. 8. (By The Associated Press).—M. Briand's desire in connection with the armament conference is that nothing should be withheld from the American public as to the military, economic or political situation of France or the reasons why the government is or might be impelled to one course or another.

The military position and requirements of France are of the greatest concern, and General Buat, the chief of the French general staff, has brought with him to the conference a chest of documents respecting the present military strength of Germany and her potential power. These, it is said, include copies of secret instructions of the German High Command regarding the grouping of former officers, of which there are 250,000, into skeleton regimental formations, so that without the military units could be created by summoning to the colors former service men, of which there are four or five million. General Buat has with him a copy of the latest issue of the German High Command's order of September 3, that does not deal, he points out, with an army of 100,000 as provided under the Treaty of Versailles, but with an army of 1,500,000, including corps, armies and groups of armies.

Small Arms Concealed

The army section of the French delegation also has brought reports respecting the small arms said to be concealed in Germany. The reports, according to these reports, have been acquired or are being constructed in countries under the control of the German High Command. Such establishments are indicated in Holland, in Switzerland and especially in Sweden. A large airplane factory is said to be in operation by Germans in Sweden.

From a considerable documentation the conclusion is reached by the French High Command that the German High Command is in process of further reduction to 680,000 as provided in next year's appropriations. A reduction below approximately 450,000 would be regarded by the German High Command as depending upon a favorable turn in events in the introduction of new elements in the situation.

At present, it is held, would be pronounced "moral support" of the American government.

The form in which this support might be given, it has been intimated, is a declaration of the American High Command to German reparations and the desire to see them paid.

How Finds Hayward And Goldman Yearn For Dear Old U. S.

"Millionaire Hobo" Returns From Tour of Russia and Urges Trade Commission Sent to Muscovite Country

J. Eads How, the "millionaire hobo," playing the role of "the man from home" in Russian towns where deported anarchists from America are chafing under the yoke of Lenin, arrived here yesterday in the second cabin of the Cunard liner Scythia, from Liverpool.

The hobo to whom wealth means little appeared to have given a little more attention to the cut and quality of his attire, leaving to his tattered baggage the task of denoting his self-imposed simplicity of life.

How mingled with the passengers, inquiring about their affairs and giving comforting counsel whenever he thought it needed. Somewhere near mid-Atlantic a woman was stricken with pneumonia, and How took upon himself the duty of ministering to the patient. Even after the Scythia docked at New York, How continued his ministrations, and he was later seen in the final words of comfort to the woman, and urging those about her to see that she got the best of care.

In his wanderings he encountered face to face "Big Bill" Hayward, the first proposed, and as a result of the agreement, including myself, have stated that Japan would not insist upon carrying out her present eight-eight program, but is ready to cut it down in agreement with the powers concerned, providing the safety of Japan is assured.

Ready to Cut Down

"From the first news of the conference," said J. Eads How, "I have issued statements on Japan's attitude in the question. Despite this there have been repeated stories, and very noticeably in the New York Tribune this morning, that Japan will proceed with the eight-eight program. Last May I said Japan could not insist on carrying out the eight-eight program, by which we must build eight battleships and eight cruisers."

"Not only will Japan insist on carrying out the eight-eight program, but she is ready to cut down if an agreement with the powers concerned can be reached."

"At the approaching conference there will be many propositions. If they desire to make a deal, they will want to make very clear the attitude of Japan. The limitation of armament cannot be effected by Japan alone."

Details 8-and-8 Program

Asked for details as to the eight-eight program, Admiral Kato said: "No figures as to the present state of the eight-eight program are available to-day. The program is to be completed in 1925. It was authorized last summer and appropriations made."

What would be considered a proper basis on which a cut in the eight-eight program would be made? Admiral Kato was asked.

"The proper basis must be stated by the United States," he replied.

"Has Japan any proposals to present?"

"No present proposals, but perhaps counter proposals, depending entirely on the nature of the United States program."

"Does Japan feel she needs as strong a navy as Great Britain or the United States?"

"Japan has never entertained the idea that she should have a navy equal to the United States or Great Britain."

"What is Japan's justification for a great navy?"

"That is a difficult question. Every nation feels the necessity of self-defense and needs the necessary forces for defense on many factors, internal and with relations to other nations. For instance, in the Orient Japan is an island. Should a nation attack Japan the naval force would be of great importance. Moreover, Japan is not self-sufficient. As regards the size of a navy, that depends on the point of view. The United States has a navy Japan to beat. The plan already adopted are much inferior to those proposed adopted both by Great Britain and the United States."

There is no surprise that Baron Kato should hedge his proposal to cut the eight and eight program by stating that Japan cannot affect armament limitation alone, nor "provided the United States does."

Japan Willing To Cut Big '8-8' Navy Program

Will Curtail Plan Experts Said Would Give Greatest Fighting Force in Pacific, if Powers Safeguard Her Brightens Parley Outlook

Do Not Seek To Rival U. S. or England, Baron Kato Says After Formal Statement

By Carter Field

WASHINGTON, Nov. 8.—Japan is willing to curtail her "eight and eight" program, "in agreement with the powers concerned, providing the safety of Japan is assured." This statement was made formally to-night by Admiral Baron Tomosaburo Kato, frankly based on the Washington dispatch in The Tribune this morning.

The significance of the statement is tremendous, and resulted in a sharp increase in optimism as to the outlook here to-night. "It is the most interesting because, despite the modesty of the Japanese about the strength of their navy, when the 'eight and eight' program shall have been completed, many naval experts, British as well as American, have expressed the conviction that it would result in the Japanese navy being able to give a considerable more fighting force for an engagement anywhere in the Far East than the American navy."

Also has been the conviction of the naval experts who have given over the situation with the Japanese in conversations looking forward to the conference, that the Japanese felt they should certainly be permitted to continue this program.

On top of this came yesterday what purported to be an authoritative statement that all naval building programs already authorized should be approved by the conference, any agreement as to armament limitation looking forward to the conference should be in the nature of a limitation on the future, as was felt in Washington last night, as was described in The Tribune this morning.

Following is the text, both introductory and explanatory, handed to the press to-night by the Japanese:

"In answer to inquiries about the report published in a New York morning paper, stating that Japan will along proposed reduction of such naval programs as have already been initiated, Baron Tomosaburo Kato, Japanese delegate, stated:

"The contrary is definitely the case, and the repetition of the statement is unwarranted, in view of the fact that when the Washington conference was first proposed, and as a result of the agreement, including myself, have stated that Japan would not insist upon carrying out her present eight-eight program, but is ready to cut it down in agreement with the powers concerned, providing the safety of Japan is assured."

After handing out the statement, Baron Kato discussed the situation at some length with the newspaper correspondents.

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There is no surprise that Baron Kato should hedge his proposal to cut the eight and eight program by stating that Japan cannot affect armament limitation alone, nor "provided the United States does."

The safety of Japan is assured." The full significance of these qualifications is fully appreciated, but at the same time the authoritative statement that Japan is willing even to discuss cutting down this building program is regarded as of the utmost importance, and as boding well for the success of the conference.

I. R. T. Denied Action in Chicago Traction Suit

Supreme Court Rules Against Introduction of New York Controversy in Case

From The Tribune's Washington Bureau

WASHINGTON, Nov. 8.—The Supreme Court of the United States to-day denied the petition of the Interborough Company of New York, through its counsel, J. M. Quackenbush, to be allowed to intervene in the Chicago traction suit.

Marines Put On Trains to Guard Mails

been and could have been prevented if a full performance of obviously proper precautions had been taken and the definite rules and orders of the department followed. The Kansas City train robbery last week was less serious, and in the Paxton, Ill., robbery last night there apparently was but a small amount stolen. There was a splendid resistance by our mail clerks, two of whom were injured. The amount involved, however, is not the serious phase of the matter. The mails are inviolate and must and shall be protected.

"We are re-issuing the instructions that the armed postal employees shoot to kill, and are sending out another quantity of arms and ammunition. We have arranged to-day with the Secretary of the Navy for the detail of 1,000 marines to the Postoffice Department. These men will be detailed to ride with the mail trucks and the mail coaches in which the simple mail is conveyed and stationed at those points in post-offices and stations, where special protection is essential. Additional marines will be furnished if necessary. In the mean time, however, the mail is being protected by the department itself, to take the place ultimately of these soldiers, an armed guard as a permanent feature of the service. The thousand marines put into this now are selected men and are ordered to live up to the traditions of the corps in the protection of the mail.

"In the connection and particularly relating to the recent New York robbery a hearing is in progress fixing the responsibility. The hearing will be continued, as the matter has not yet been sufficiently developed to enable us to know definitely whether or not there are others guilty of definite dereliction of duty."

Illinois Mail Robbers Dropped \$100,000 Loot

Postal Officer Says Loss Will Not Exceed \$400; One of 4 Men Shot in Hold-Up May Die

Special Dispatch to The Tribune

CHICAGO, Nov. 8.—Bandits who last night held up an Illinois Central train, shot four members of the crew and one passenger and burned the mail car, had in their possession a mail sack containing \$100,000, the prize they were after, but for some unaccountable reason dropped it on their way to their automobile and it was recovered to-day by the railroad authorities.

"The loot obtained will not exceed \$400," said Postoffice Inspector Germer to-day. "Only two pouches of registered mail were stolen."

Of the men shot and slugged by the robbers, one may die, Arthur Moon, a Pullman porter, was shot through the abdomen, one of the bandits picking him off the entire length of the train as he leaned out of his car to save what was left of the loot. The other three were shot in the back as they were leaving the train.

Harold Bangs, fireman, Chicago, shot in the shoulder.

Benjamin Bovinette, mail clerk, Mattoon, Ill., was in wrist.

Thomas Baker, mail clerk, Carbondale, Ill., slugged.

K. H. Knowlton, University of Illinois student, said, seated by one of three bullets that were fired at him.

Posses, working northward from the scene of the robbery and south from the highest tracks of the robbers. All trains are being stopped and searched, but it is now believed the bandits detained and have disappeared over the Indiana line.

Suspension of 3 Postal Heads Unconfirmed Here

Cochrane's Assistant Unaware of Orders; Postmaster Morgan Could Not Be Reached

James Stevenson, assistant to Colonel William E. Cochrane, the postal inspector in charge of the investigation of the recent \$200,000 mail robbery here, was the only person available last night for comment on the reported suspension of three local post-office officials by Postmaster General Hays.

"Asked about the suspension order, Mr. Stevenson laughed and said he had not heard of it."

"If the report is true, I can't understand why it has not come to my attention. I certainly would have heard of it. I advise you, however, to see Colonel Cochrane in the morning."

Neither Colonel Cochrane nor Postmaster Edward M. Morgan could be reached up to midnight last night. The suspension of Elijah M. Norris, superintendent of mails; Henry Lippman, superintendent of registry, and Walter S. Mayer, superintendent of the

Charles and Zita Reach Sea on Way to Madeira

British Cruiser Cardiff, Carrying Exiles, Heads From Constantinople Toward Gibraltar

CONSTANTINOPLE, Nov. 8.—The British cruiser Cardiff, having on board the former Emperor Charles of Austria-Hungary and his wife, Empress Zita, arrived here to-day from the Danube, where she went to receive the former imperial pair, destined to exile on the island of Madeira.

The Cardiff must only a brief stop at this port, proceeding almost at once for Gibraltar.

BUDAPEST, Nov. 8.—(By The Associated Press).—It is understood that the government has issued a declaration that members of the Hapsburg family remain in the custody of the Hungarian government. This declaration, made to satisfy the demands of the powers, is to be submitted to the National Assembly for ratification as the official interpretation of the act passed in Hungary on Sunday detroning former Emperor Charles and ousting the entire Hapsburg dynasty.

Rich Farmer Dies in Fire; Youth Held as Incendiary

Flames in Night Destroy House and Barn of Connecticut Man 64 Years Old

HARTFORD, Conn., Nov. 8.—Clarence T. Miller, sixty-four years old, who lived alone in a house two miles south of Hampton, was burned to death in a fire at his home shortly after 2 o'clock this morning. The house and barn were destroyed.

Ernest Skinner, seventeen years old, alleged to have set fire to the house, was taken to Danbury this afternoon to await a hearing on charges of arson and murder. Skinner is said to have admitted to the state police arresting him that he burned the house and barn because of his hatred of Miller.

Skinner lived with his father near the Miller home. His mother died time ago served a term in state prison. He was ordered off the Miller premises several times, and his father, who had had therefore incurred a considerable sum of money in insurance policy, was believed to have been a man of considerable means. His death resulted in the loss of his home, for which Emil Schutte was recently sentenced to be hanged.

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42 Ship Buyers to Ask Price Reduction To-day

Federal Board to Hear Pioneer Purchasers' Plea That War Time Rate Is Unjust

From The Tribune's Washington Bureau

WASHINGTON, Nov. 8.—The United States Shipping Board to-morrow will hear representatives of forty-two purchasers of government tonnage on the question of reducing the original price agreed upon by them and the government's shipping commissioners. The purchasers will ask the board to reduce the original figure of approximately \$220 a deadweight ton to between \$50 and \$60 a ton, on the ground that the former price, due to the present condition of shipping, is prohibitive. No decision will be made by the board as a result of the hearing, but all the data furnished by the purchasers will be supplied to Congress when the Curtis bill for refunding a portion of the purchase price is acted upon.

R. H. Robinson, president of the United American Line, will represent the forty-two pioneer purchasers and present their case to the board. A committee of the American Steamship Owners' Association also will be heard. On this committee will be J. W. Reynolds, secretary of the Munson Line; J. C. McCormack, treasurer of Moore & McCormack; C. R. Elder, president of the Elder Steel Steamship Company; W. D. Macy, vice-president of the Ward Line, and J. Parker Kirk, counsel for the Steamship Owners' Association.

The board said 426 vessels when American tonnage was demanding the high price. The ships averaged 7,000 deadweight tons, and represented a total of \$223,000,000, of which \$80,000,000 has already been paid in by the purchasers.

Haynes Warns Public Against Poisonous Bootleg Whisky

WASHINGTON, Nov. 8.—Prohibition Commissioner Haynes, in a statement to-night, warned the public against the dangers of drinking "bootleg beverages." Less than 2 per cent of the liquor analyzed by chemists of the prohibition unit, he said, had been found fit to drink since the cutting down of withdrawal permits had cut off the supply of bonded liquors. Whisky and gin made from wood alcohol by bootleggers, he asserted, was practically certain to result in blindness and death.

Shake Into Your Shoes

And sprinkle in the foot-bath ALLEN'S FOOT-POWDER, the antiseptic, healing powder for Painful, Swollen, Smarting Feet. It prevents blisters and sore spots and takes the sting out of corns and bunions. Always use Allen's Foot-Powder to break in new shoes and enjoy the bliss of feet without an ache.